



## AXCELASIA INC.

(Company Registration No.: LL12218)

(A Company incorporated under the Labuan Companies Act 1990, Malaysia)

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### Temporary Cessation of Operations in Axcelasia Vietnam Co Ltd

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The Board of Directors (the “**Board**”) of the Axcelasia Inc (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the Company’s announcement dated 26 January 2017 (“**Incorporation Announcement**”) in relation to the incorporation of the Company’s 70% owned subsidiary in Vietnam, namely Axcelasia Vietnam Co Ltd (“**Axcelasia Vietnam**”) and wishes to announce that the business operations of Axcelasia Vietnam has temporary ceased with immediate effect (“**Temporary Cessation**”).

The Temporary Cessation is mainly due to (i) the total funds of USD300,000 which was injected into Axcelasia Vietnam as paid-up capital has been fully utilised (*Please refer to the Incorporation Announcement for details*) ; and (2) the revenue expected from the projects has not met the business plan and this has resulted in losses in Axcelasia Vietnam over the period of operations since its incorporation. The minority shareholders (30%) of Axcelasia Vietnam, namely Kambah Ltd, being the local partners had been involved in the day to day management and operations of Axcelasia Vietnam. Based on the foregoing reasons, it is not the intention of the Company to inject additional capital into Axcelasia Vietnam. The Board, after its assessment, is of the view that it is in the best interest of the Company to temporarily cease the operations of Axcelasia Vietnam.

The Company is advised by its solicitors in Vietnam that the liability of the Company in Axcelasia Vietnam is limited to its capital contribution as paid-up capital.

The Temporary Cessation is not expected to have any material adverse financial impact to the earnings/loss per share and net asset value per share of the Group for the financial year ending 31 December 2017.

The Board is evaluating various options on the future direction of Axcelasia Vietnam and the Company’s business plan in Vietnam; and will update shareholders as and when there is any material update in relation thereto.

BY ORDER OF THE BOARD

Dr Veerinderjeet Singh  
Executive Chairman  
1 November 2017

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Axcelasia Inc. (the "Company") was listed on Catalist of the Singapore Exchange Securities Trading Limited (the "SGX-ST") on 27 November 2015. The initial public offering of the Company was sponsored by PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor").

This announcement has been prepared by the Company and its contents have been reviewed by the Sponsor for compliance with the SGX-ST Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr Lance Tan, Director, Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318; E-mail: [sponsorship@ppcf.com.sg](mailto:sponsorship@ppcf.com.sg)).